

SENATE BILL NO. 1

INTRODUCED BY D. KARY

BY REQUEST OF THE STATE ADMINISTRATION AND VETERANS' AFFAIRS INTERIM COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING THE SECRETARY OF STATE TO COLLECT CERTAIN FEES; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTIONS 20-7-604 AND 82-1-104, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 20-7-604, MCA, is amended to read:

"20-7-604. Licensing textbook dealers. (1) Textbook dealers must be licensed to sell textbooks by the superintendent of public instruction. To obtain a license, a textbook dealer shall first file with the superintendent of public instruction the dealer's written agreement to:

(a) guarantee that textbooks must be supplied to any district at the listed, uniform sales prices in effect for schools, except that the prices may be reduced in accordance with this section;

(b) guarantee that at no time will any textbook sale price in Montana be a larger amount than the sale price to schools anywhere else in the United States under similar conditions of transportation and marketing; and

(c) reduce automatically the listed, uniform sales price to schools whenever reductions of these prices are made anywhere in the United States.

(2) (a) Textbook dealers filing the written agreement with the superintendent of public instruction shall also file a surety bond with the secretary of state. The surety bond must run to the state of Montana and be conditioned on the faithful performance of all duties imposed upon textbook dealers for the purpose of regulating the supply of textbooks to districts. The amount of the surety bond must be set by the superintendent of public instruction and may not be less than \$2,000 or more than \$10,000. It is the responsibility of the textbook dealer to maintain the surety bond on a current basis.

(b) The secretary of state may charge a fee for the filing of the surety bond required under this section. The fee must be set by rule and deposited in accordance with 2-15-405.

(3) When the textbook dealer has complied with the written agreement and surety bond requirements for licensing, the superintendent of public instruction shall issue a license to the textbook dealer."

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2 **Section 2.** Section 82-1-104, MCA, is amended to read:

3 **"82-1-104. Indemnification of property owners -- restoration of surface.** (1) (a) Prior to performing
4 seismic activity, a person, firm, or corporation shall file with the secretary of state a surety bond, cash, certificate
5 of deposit, or other instrument acceptable to the secretary of state in the amount of \$10,000 for a single seismic
6 crew or a blanket surety bond, cash, certificate of deposit, or other instrument acceptable to the secretary of state
7 in the amount of \$25,000 for all seismic crews operating within the state for the person, firm, or corporation to
8 indemnify the owners of property within this state for physical damages to their property resulting from any
9 seismic exploration. Partial or complete forfeiture of the surety bond, cash, certificate of deposit, or other
10 instrument acceptable to the secretary of state must be determined by the appropriate court of civil jurisdiction.

11 (b) The secretary of state may charge a fee for the filing of the surety bond, cash, certificate of deposit,
12 or other instrument required under this section. The fee must be set by rule and deposited in accordance with
13 2-15-405.

14 (2) Unless the owner of the surface rights and the person, firm, or corporation conducting seismic activity
15 agree otherwise, it is the obligation of the person, firm, or corporation upon completion of seismic exploration to
16 plug all "shot holes" in the manner specified by the board of oil and gas conservation to contain any water within
17 its native strata by filling the holes with bentonite mud, cement, or other material approved by the board of oil and
18 gas conservation to contain the water. In addition, the holes must be capped in a manner and with a material
19 specified by the board of oil and gas conservation so that the top of the cap is a sufficient depth below the surface
20 of the land to allow cultivation. The portion of the holes above the cap must be filled with native material.

21 (3) Upon completion of any seismic exploration, the person, firm, or corporation conducting the
22 exploration shall remove all stakes, markers, cables, ropes, wires, and debris or other material used in the
23 exploration and shall also restore the surface around any shot holes as near as practicable to its original
24 condition.

25 (4) The surety bond, cash, certificate of deposit, or other instrument acceptable to the secretary of state
26 must remain on file with the secretary of state so long as the exploration is conducted, plus an additional 5 years
27 after the cessation of the exploration activities. The aggregate liability for the exploration activities may not exceed
28 the amount of the surety bond, cash, certificate of deposit, or other instrument acceptable to the secretary of
29 state. Upon the filing of the surety bond, cash, certificate of deposit, or other instrument acceptable to the
30 secretary of state, the secretary of state shall issue to the person, firm, or corporation a certificate showing that

1 the surety bond, cash, certificate of deposit, or other instrument acceptable to the secretary of state has been
2 filed. The certificate must contain the name of the designated resident agent within the state for service of process
3 for the person, firm, or corporation."

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5 NEW SECTION. **Section 3. Effective date.** [This act] is effective on passage and approval.

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